

## Assembly Joint Resolution No. 32

### RESOLUTION CHAPTER 113

Assembly Joint Resolution No. 32—Relative to Medicare reimbursement for nursing home services.

[Filed with Secretary of State September 14, 1999.]

#### LEGISLATIVE COUNSEL'S DIGEST

AJR 32, Strickland. Medicare payments.

This measure would memorialize the Congress of the United States to enact legislation to require the Medicare prospective payment system to take into account the costs associated with providing medically complex care and to provide a more accurate inflation adjuster index.

WHEREAS, The United States Congress enacted short-term Medicare reforms as part of the Budget Act of 1997; and

WHEREAS, These reforms included changes in the manner in which the federal government reimburses nursing homes around the country for Medicare patient claims. In an effort to save \$115 billion over a 10-year period, the new law changes the reimbursement method from fee-for-service to flat rate reimbursement; and

WHEREAS, Since the enactment of these reforms, Medicare spending during the first half of the 1998–99 fiscal year was \$2.6 billion less than for the comparable six-month period of the 1997–98 fiscal year; and

WHEREAS, Under the new, lower reimbursement rates, most nursing homes lose money on patients who require intravenous antibiotics, tube feeding, dialysis, or ventilator support; and

WHEREAS, Changes in the method of reimbursing nursing homes for the care of Medicare beneficiaries results in many nursing homes refusing Medicare patients, or places these homes in serious financial jeopardy; now, therefore, be it

*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature respectfully memorializes the United States Congress to enact legislation to require the Medicare prospective payment system to take into account the costs associated with providing medically complex care, such as ventilator care, tracheostomy care, and care for pressure ulcers, and to provide a more accurate inflation adjuster index.